

November 11, 2008

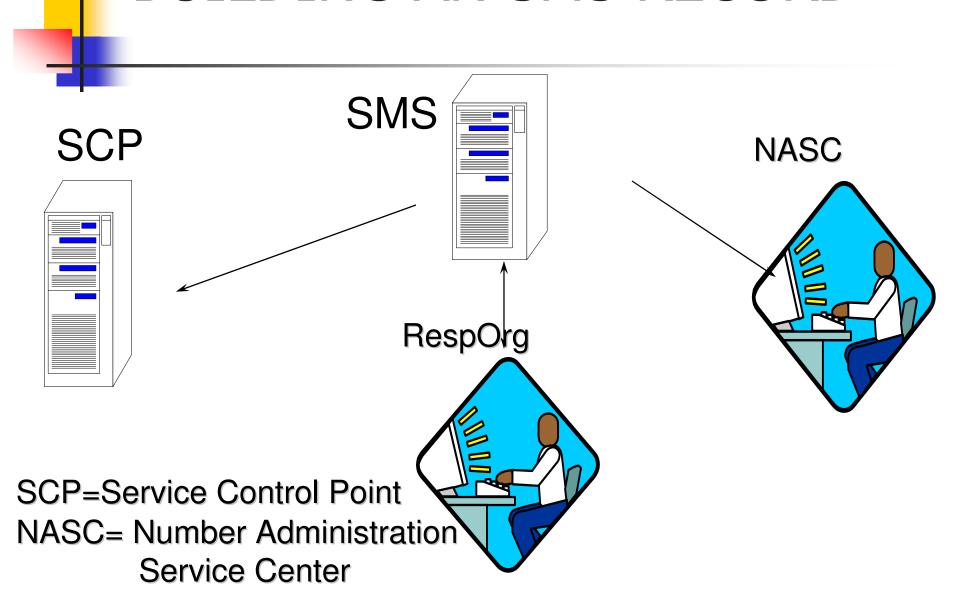
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RESPORG OVERVIEW

- RespOrgs were established in 1993
- About 350 RespOrgs
- RespOrgs can be
 - Carriers
 - End Users
 - Independent
 - Vanity Providers
 - Specialized Providers

BUILDING AN SMS RECORD





RespOrg Controls

- FCC Tariff 1
- "Industry Guidelines for Toll Free Number Administration" (ATIS)
- SMS/800 Number Administration
 Committee (SNAC) of OBF
- SMT

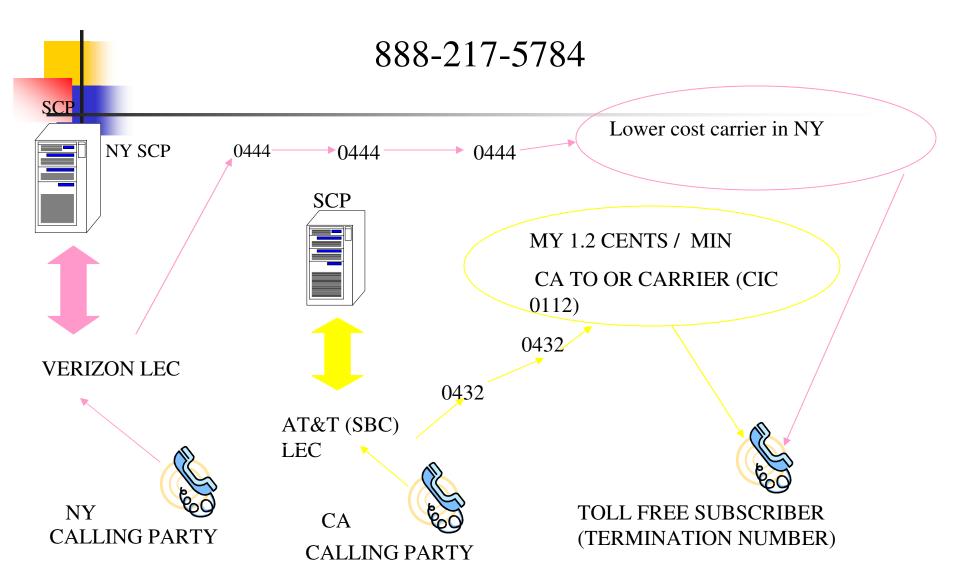




(and how SMS/800 is helping or hurting the effort)

- The key to effective use of SMS/800 is system, feature and pricing stability (*changes in pricing or technology by SMS/800 has a ripple effect that causes Millions of Dollars of development to be spent*)
- The 8MS product is used by RespOrgs to manage more than 25% of all Toll-Free numbers – providing enhanced features and attempting to insulate RespOrgs from SMS/800 changes (SMS/800 has supported this effort to provide alternative interfaces)
- Complex SMS/800 routing to drive down per minute costs are generated in seconds based on carrier rates and call traffic patterns (SMS/800 would like to penalize this effort by charging for the size of the record)
- RespOrgs throttle activity to SMS/800 to manage updates to SMS/800 (SMS/800 penalizes RespOrgs for heavy system use even when the system is idle)
- SMS/800 Toll Free number history is used to determine number status (this key data is generated nightly by SMS/800 and used by most RespOrgs)

AN EXAMPLE OF LEAST COST ROUTING



(CAN USE UP TO 20,000 COMBINATIONS)



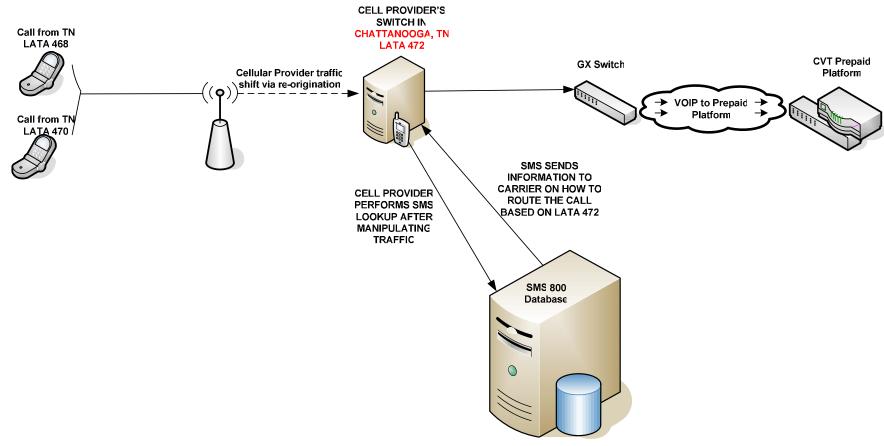
WHAT HAPPENS WHEN RESP ORGS AND LECS DON'T OBEY RULES

- Guidelines have no teeth.
- FCC complaint is only option, but it is well known that timeliness is a problem
- SMT will come down hard on some things, ignore others



SMS Multi-Carrier Records

Key Challenge – "Pseudo-ANI" and call re-origination: A recurring example includes regional mobile operators





OWNERSHIP ISSUE

- SMS is owned by SMT, originally a combination of Bell companies, but now AT&T, Verizon, and Qwest
- Many new uses of SMS are disadvantageous to these companies
- Major issue with RespOrgs not being treated as customers
- Need to look at new approach to failed 2004 ownership change attempt
- Is there a way to add legal costs to per number per month, estimate would be \$.0023.



RATE POLICIES

- FCC has come out strongly against hoarding
- Pricing greatly influences hoarding
- Policies should support rating that uses number of numbers and "sweep" pricing, but must be clear and easy